

Governor Carney, Governor Hogan Urge FERC to Expedite Review of Artificial Island Cost Allocation

As currently funded, \$278 million project would unfairly burden electric ratepayers on Delmarva

WILMINGTON, Del. – Delaware Governor John Carney and Maryland Governor Larry Hogan on Tuesday sent a [letter](#) to members of the Federal Energy Regulatory Commission, urging commissioners to expedite their review of the \$278 million Artificial Island transmission line project and consider a financing model that does not unfairly burden electric ratepayers on the Delmarva Peninsula.

Governors Carney and Hogan urged FERC to consider alternative cost methodologies presented in June by PJM's Board of Managers. Under PJM's alternative methods for cost allocation, Delmarva ratepayers would fund approximately 7-10 percent of the project costs.

As currently financed, residential and commercial electric ratepayers on Delmarva would fund more than 90 percent of the cost of the project through higher electric bills, while receiving few of the project's direct benefits. Governors Carney and Hogan previously appealed the cost allocation to FERC, and urged PJM to support a more equitable solution for ratepayers on Delmarva.

"We remain optimistic that FERC will consider a financing plan for this project that will not unfairly burden businesses and families on the Delmarva Peninsula," said **Governor Carney**. "As we've said all along, as currently financed, this is a bad deal for Delaware ratepayers, who would be asked to finance

this project, while receiving few direct benefits. Thank you to FERC commissioners for considering our request to expedite their review. And thank you to Governor Hogan for his continued partnership and leadership on this issue.”

“Our administration has expressed our repeated opposition to any proposal that unfairly and inequitably allocates the costs associated with this project,” said **Governor Hogan**. “Maryland will continue to stand with Delaware to protect our citizens from disproportionately paying hundreds millions of dollars in rate increases, and we will continue to work with all stakeholders to reach a speedy, reasonable, and equitable solution to this process.”

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Related news:

[Governor Carney and Governor Hogan React to PJM’s Alternative Financing Methods for Artificial Island Project](#)

[Governor John Carney and Governor Larry Hogan Respond to PJM Reevaluation of Artificial Island Cost Allocation](#)

[Governor Carney and Maryland Governor Larry Hogan Continue Fight Against Artificial Island Cost Allocation, Unfair Rate Hikes](#)

[Governor Carney’s Statement on Artificial Island Project Recommendations](#)